

# CHAPTER 2

## INTRINSIC MOTIVATION

*Intrinsically motivated behaviors engage individuals to do activities “for their own sake” because doing the activity is rewarding in itself.*

*The performance of intrinsically motivated activities assumes people are active, development and growth-oriented, and want to encounter challenges in order to grow and learn.*

### What Is Intrinsic Motivation?

*Intrinsic motivation* is a concept that assumes human beings act upon their internal and external environments to be effective and satisfy a full range of their needs. It is this life force or energy for these activities that is referred to as intrinsic motivation.<sup>1</sup> Intrinsically motivated behaviors engage individuals to do activities “for their own sake” because doing the activity is rewarding in itself; the activities are done simply for the feelings of excitement, accomplishment and personal satisfaction they yield.

These rewards achieve the “attainment of a state of being,” a high state of functioning, “a more than ordinary moment of existence” that is about being wholly involved in the activity itself and not with reaching a certain goal.<sup>2</sup> This experience is similar to what Csikszentmihalyi describes as “optimal experience” or “flow.” During flow, people can experience concentration so intense that worldly distractions disappear and time becomes distorted. An activity that causes flow is so gratifying that people are willing to do it for its own sake, with little regard for what they will get out of it, even when the activity is difficult or dangerous. Flow activities provide a sense of discovery and push people to higher levels of performance – the reward of the growth of the self is the key to flow or intrinsically motivating activities.<sup>3</sup>

The performance of intrinsically motivated activities assumes people are active, development and growth-oriented, and want to encounter challenges in order to grow and learn; that is, the desire to “enjoy ourselves” pushes us to stretch our skills or to discover new opportunities to use them. People are inspired to achieve optimal experience by optimal challenge.<sup>4</sup> Other researchers in the field, Carl Rogers and Abraham Maslow, also propose that individuals are constantly striving for enhancement and growth and assert that this may be the only motive underlying all human behavior.<sup>5</sup>

In addition to allowing growth, intrinsically motivating activities also must have, in psychological vernacular, an *internal locus of causality*. Research done by DeCharms shows people consider themselves to be intrinsically motivated if they are the “origin” of their own behavior, namely, they cause their own behavior rather than the cause of their behavior being external to themselves. If the origin of their motivation is external,

<sup>1</sup> Edward L. Deci and Richard M. Ryan, *Intrinsic Motivation and Self-Determination in Human Behavior*, (New York, NY: Plenum Press, 1985), pp. 5-8.

<sup>2</sup> Edward L. Deci, *Why We Do What We Do: The Dynamics of Personal Autonomy*, (New York, NY: Grosse/Punt, 1995), p. 21.

<sup>3</sup> Mildly Csikszentmihalyi, *Flow: The Psychology of Optimal Experience*, (New York, NY: Harper and Row Publishers, 1990), p. 74.

<sup>4</sup> Deci, pp. 23, 29.

<sup>5</sup> Herbert L. Petri, *Motivation: Theory and Research*, (Belmont, CA: Wadsworth Publishing Company, 1986), p. 303.

they perceive they are in less control of the resulting behavior; they consider themselves to be a “pawn.” Consequently, intrinsically motivated behavior only occurs when people have the ability to choose, without external regulation, both how they will behave and the activities they will participate in. This way, as the behavior is accomplished, people feel more competent as their skills improve and feel their activity is “self-determined;” that is, they have chosen their activity free from external pressures and acted autonomously.<sup>6</sup>

These intrinsic needs for competency and self-determination generate an ongoing process of seeking out and overcoming challenges free from external drives or pressures. People will seek situations that interest them and require use of their creativity and resourcefulness. The challenges they seek can not be too easy (creating boredom) or too hard (creating anxiety).<sup>7</sup> Self-determination is what people experience when they have both choices and the capacity to choose, and when this alone determines their actions, rather than any external force. Theory suggests that humans have a basic, innate propensity to be self-determining – that this is a *need*.

## Intrinsic Motivation and Extrinsic Rewards

In contrast to intrinsic motivation, *extrinsic motivation* results when the reason for doing something is other than interest in the activity itself; the motivation results from some external pressure (achieving extrinsic gain or avoiding punishment). Conflicting research studies indicate there is no clear understanding of the exact interaction between intrinsic and extrinsic rewards. A number of studies suggest extrinsic rewards decrease intrinsic motivation for a task. They reason that when we examine our own behaviors, we look for obvious extrinsic motivations for them. When we don’t find extrinsic motivations, we assume our behavior is intrinsically motivated. But if an extrinsic reward is added to a behavior that is already intrinsically motivating, the more concrete obvious external explanation for our behavior decreases intrinsic motivation for the task.<sup>8</sup> Deci states this more directly by saying that although intrinsic motivation can be a strong and persistent motivator, it is vulnerable to “the continued encroachment of environmental forces . . . often socially [externally] sanctioned.”<sup>9</sup>

Predominantly, American work behavior is controlled through the use of extrinsic rewards and punishments; people will do what they have to do in order to get extrinsic rewards or avoid punishment. But experiments have shown that when behaviors are associated with extrinsic rewards (monetary rewards in this case), people will behave to get these rewards only as long as the rewards are forthcoming; so extrinsic rewards will not motivate performance in the long-term.<sup>10</sup> Also, the controlling nature of extrinsic rewards limits one’s sense of freedom. People become dependent on the rewards and are either seduced or forced to comply. To the extent they are forced to comply there is the tendency to defy, to refuse to be controlled or to do the opposite of the behavior expected (namely, sabotage).

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<sup>6</sup> Deci, p. 29.

<sup>7</sup> Deci and Ryan, p. 33.

<sup>8</sup> Petri, 301.

<sup>9</sup> Deci and Ryan, p. 43.

<sup>10</sup> Deci, p. 51.

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A reason people may act this way is because intrinsic motivation is based on individuals' need to be self-determining – namely, they perceive themselves to be in control of their environment because they can make free choices about their activities in relationship to it. However, external forces control and limit choice, consequently undermining an individuals' ability to be internally motivated to act; behavior becomes dependent on the external contingency, rather than on accomplishing the task for its own sake.<sup>11</sup> The perceived competence individuals might gain as a result of successfully performing a task is undermined because they were not wholly responsible or in control of how they accomplished the task. Consequently, they do not completely attribute their success to their own abilities or skills. Therefore, to the extent their activities were limited or controlled, their growth was also limited.<sup>12</sup>

Most importantly, extrinsic rewards shift the cause of the behavior away from internal desires to accomplish the task for its own sake, diminishing the intrinsic motivation to accomplish the task. When external rewards control behavior and individual freedom of choice is also controlled, the opportunity for workers to grow and display their competency (the reward provided by intrinsic motivation) declines. The ultimate goal should therefore be to create a work environment in which employees can rely on their intrinsic desire to achieve their own success and build their self-esteem by continually being able to prove their own competency to themselves.<sup>13</sup>

For these reasons, some researchers, Alfie Kohn foremost among them, argue that intrinsic and extrinsic task motivation can not coexist.<sup>14</sup> But there is a significant body of research that proposes that external rewards will have differing effects on intrinsic motivation depending on whether the reward has a *controlling* or *informational* influence on the behavior. As stated earlier, it is the controlling aspects of extrinsic rewards that undermine intrinsic motivation.<sup>15</sup>

Deci, Ryan, and others explored the controlling versus informational aspects of how rewards are administered and the subsequent effect on intrinsic motivation. The different types of rewards they investigated were “task-noncontingent rewards,” “task-contingent rewards” and “performance-contingent rewards.” “Task-noncontingent rewards” do not come as a result of doing a task; the rewards are provided simply for being there; namely, people are paid for being on the job, rather than for particular behaviors or level of performance. “Task-contingent rewards” are given for actually doing or completing a task; piece-rate systems are an example of this kind of reward. “Performance-contingent rewards” are given for a specified level of effective performance relative to some type of standard. These rewards differ from task-contingent rewards in that they depend upon task performance at a specified level of *quality*; some types of bonus or incentive programs are examples of these rewards.

<sup>11</sup> Deci and Ryan, p. 49.

<sup>12</sup> Ibid., p. 59.

<sup>13</sup> Daniel J. Steininger, “Why Quality Initiatives Are Failing: The Need to Address the Foundation of Human Motivation,” *Human Resource Management* (Winter 1994), pp. 602-16.

<sup>14</sup> John H. Davis, “Why Rewards Undermine Performance: An Exclusive Interview with Alfie Kohn,” *ACA Journal* (Summer 1995), pp. 6-17.

<sup>15</sup> Petri, p. 302.

Consistent with the theory described earlier, the absence of extrinsic rewards optimizes intrinsic task motivation. Nevertheless, the researchers also concluded that task-noncontingent rewards do not decrease intrinsic motivation when the rewards are not experienced as controlling; the reward is extraneous to the performance of the task itself. Task-contingent rewards are more controlling because one must complete an assignment to get the reward; the performance of the task is then more likely to be a result of the focus on the reward rather than the task itself. The same is true of performance-contingent rewards if they are perceived to be *controlling*.

The most interesting feature of the research exploring the effects of these different types of rewards on intrinsic motivation is the effect of feedback on whether rewards are perceived to be controlling or informational. As Figure 2-1 illustrates, positive feedback or information concerning task performance has a powerful counter-vailing effect on contingent reward programs. Contingent reward programs can still be used without having a detrimental effect on intrinsic motivation if positive feedback is provided on task performance.<sup>16</sup>

Significantly, research on the contextual aspect of how intrinsic and extrinsic rewards affect motivation also shows that extrinsic rewards can have great motivational value in some circumstances. Dull or repetitive tasks may not have enough challenge in and of themselves to be entirely self-sustaining in terms of intrinsic rewards so there will probably always have to be some element of extrinsic reward (or coercion or controlling influence) to get people to do them.<sup>17</sup> A number of studies have found that, while task-contingent rewards impair performance on interesting (complex and conceptual) tasks, they do improve performance on dull, repetitive tasks, although worker intrinsic motivation remains low. So, as this shows, extrinsic, task-contingent rewards can be used without impairing intrinsic motivation if feedback that conveys information about competence is also given.<sup>18</sup>

A number of studies also indicate that intrinsic and extrinsic rewards can coexist without diminishing each other's effects and that behavior may be influenced by both simultaneously. Some studies suggest even intrinsic and extrinsic rewards are additive, so that collective increases in both increase the motivation for a task.<sup>19</sup> Intrinsic motivation may only diminish when extrinsic rewards are present under certain contextual situations: when there is insufficient initial interest in the activity, and when the extrinsic reward is particularly conspicuous, prominent and tangible.<sup>20</sup> Thus, although, the precise effect extrinsic rewards have on intrinsic task motivation is unclear, still, no research was found denying intrinsic task motivation exists. Therefore, we can reasonably assume that, at worst, intrinsic task motivation has a neutral effect on task performance, while under the right conditions, it may be a powerful, long-term motivator of high-quality work performance.

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<sup>16</sup> Deci and Ryan, pp. 73-85.

<sup>17</sup> Mark R. Lepper and David Greene, *The Hidden Costs of Reward: New Perspectives on the Psychology of Human Motivation*, (Hillsdale, NJ: Lawrence Erlbaum Associates, Publisher, 1978), p. 214.

<sup>18</sup> Deci and Ryan, p. 102.

<sup>19</sup> Uco J. Wiersma, "The Effects of Extrinsic Rewards in Intrinsic Motivation: A Meta-analysis," *Journal of Occupational and Organizational Psychology* (1992), pp. 101-114.

<sup>20</sup> Kelli J. Skaggs, Alyce M. Dickinson and Kimberley O'Connor, "The Use of Concurrent Schedules to Evaluate the Effects of Extrinsic Rewards on 'Intrinsic Motivation:' A Replication," *Pay for Performance: History, Controversy, and Evidence* (New York, NY: The Howorth Press, Inc., 1992), p. 50.

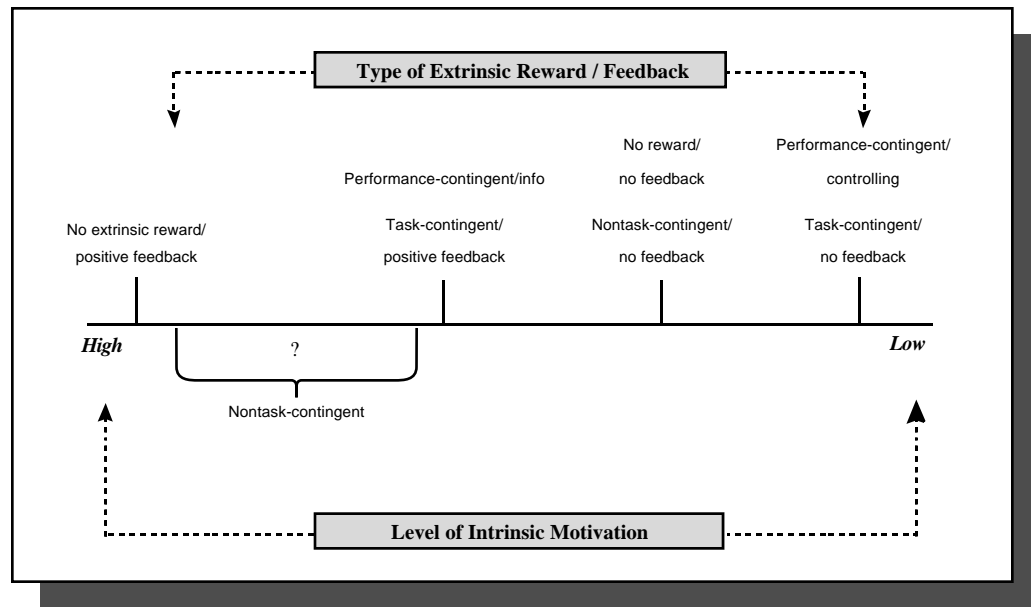


Figure 2-1. Effect of Extrinsic Rewards and Feedback on Intrinsic Motivation

## So What?

*... intrinsic motivation has the potential to be a powerful vehicle for impelling work.*

As outlined above, intrinsic motivation has the potential to be a powerful vehicle for impelling work. Research shows people do not perform as well on certain kinds of activities when they are extrinsically rather than intrinsically motivated. These studies have confirmed that the performance of activities requiring resourcefulness, deep concentration, intuition, initiative, resiliency or creativity will suffer when external controls are used to motivate the behavior. Extrinsic motivators that control behavior also have clearly detrimental effects on the performance of any tasks requiring creativity, conceptual understanding and flexible problem-solving.<sup>21</sup> These implications for enhancing intrinsic motivation in the workplace merit attention in any study of compensation systems.

Certainly, anecdotal evidence shows many managers recognize that people who perform jobs requiring a great deal of creativity and innovation are inspired by minimal external controls and maximum choice. These managers recognize that “creatives” or “wild ducks,” as IBM founder Thomas Watson called them, need flexibility and minimum structure and become bored or resentful if direction becomes too explicit or restrictive. Fred Gamble, Human Relations Director for Conde Nast Publications, Inc., publisher of upscale, trendy magazines, comments about the creative staff that, “If you recognize their intelligence and ability to figure things out, and give them room and space to execute an idea, it will pay enormous dividends.”<sup>22</sup>

Mary Kay Cosmetics also recognizes the power of intrinsic motivation and has incorporated it into its compensation strategy. The company’s high productivity in the cosmetics industry is a result of what Richard Barlett, the company’s president, says is

<sup>21</sup> Deci, p. 51.

<sup>22</sup> Shari Caudron, “Motivating Creative Employees Calls for New Strategies,” from the Internet, 1-2.

not just the extrinsic compensation, but also the feelings of “self-esteem and self-fulfillment” their employees receive from their jobs. Although high-performing employees’ salaries are generous, the company intentionally tries not to overwhelm the power of the job’s intrinsic rewards with money recognizing that financial incentives are not the only source of motivation in their company.<sup>23</sup>

More persuasive than these anecdotal findings are, an important recent study, the Quality Potential Analysis, confirmed a link between individual workers’ and companies’ assessments of productivity and management-created environmental conditions that facilitate and encourage the expression of human competence in productive work. The Quality Potential Analysis was a three-year study of over 10,000 American workers, covering a wide organizational, demographic and geographic cross-section. In every case where productive and unproductive organizations were compared, productive organizations were characterized by significantly greater support for collaboration, commitment and creativity than were unproductive organizations. The research reveals that workers overwhelmingly wanted opportunities to do what came naturally to them: demonstrate their competence. They realize that work is a major and critical part of their lives and want to identify with what they do and where they work. Workers said they need a strong sense of “personal impact,” want direct influence on events in their workplace, and want to control their own operating procedures and guidelines. They want the freedom to determine the best way to do work. They want to be productive and know what it would take for them to be so.

The productive companies’ environmental conditions that best allowed people to bring their innate competence to bear on tasks were the same as those predicted by the laboratory research of Deci and others: conditions that encourage collaboration, commitment and creativity. Collaboration and participation with management in making work-related decisions shows respect and confidence in the capabilities of workers, fulfilling their need to be both self-determining and competent in their interaction with their working environment. This facilitates commitment because it allows people to act on their best judgment “at the point of impact.” Replacing precedent and conformity with freedom to act in turn encourages creativity. The survey research also revealed that the greater the discrepancy between existing conditions and the environmental conditions that allow people to demonstrate competence, the greater the stress and frustration people feel performing their jobs.<sup>24</sup>

These survey data also seem to support studies reviewed by Karasek and Thorell<sup>25</sup> confirming people in the United States identify lack of control in the workplace as the number-one contributing factor to the high levels of stress they experience on the job. These studies revealed that it was not the demanding nature of jobs that causes stress, but workers’ lack of control over the conditions of working life.

**. . . productive organizations were characterized by significantly greater support for collaboration, commitment and creativity than were unproductive organizations.**

<sup>23</sup> Thomas J. McCoy, *Compensation and Motivation* (New York, NY: American Management Association, 1992), p. 41.

<sup>24</sup> Jay Hall, “Americans Know How To Be Productive If Managers Will Let Them,” *Organizational Dynamics* (Winter 1994), pp. 33-46.

<sup>25</sup> R. Karasek and T. Thorell, *Healthy Work Stress, Productivity, and the Reconstruction of Working Life* (New York, NY: Basic Books, 1990), cited in Daniel J. Steininger, “Why Quality Initiatives Are Failing: The Need to Address the Foundation of Human Motivation,” *Human Resource Management* (Winter 1994), p. 609.

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These findings indicate that workers need and want to operate autonomously and be self-determining. They want to have control and choice in their behaviors and desire to demonstrate competence. These are also characteristics of conditions that allow intrinsic motivation to flourish. Therefore, this research appears to indicate a direct link between environments conducive to intrinsic rewards and organizational and worker performance.

## **What We Can Do?**

Considering the potential productive power of intrinsic task motivation in the workplace, organizations should concentrate on actions that create a climate conducive to intrinsic task motivation. As stated above, autonomy and competence are key elements in intrinsic motivation, and management can take many actions to promote workers' intrinsic motivation. Management that is participative in philosophy, structure, style and focus promotes intrinsic task motivation by contributing to autonomy and self-determination. Participative management, if properly implemented, encourages employees to set optimally challenging goals, gives them considerable latitude to work out these goals, encourages employees to assess their own performance, and encourages managers to provide the type of informational, constructive feedback that facilitates intrinsic motivation.<sup>26</sup>

This model of participative management contrasts with organizational control systems that diminish employees' sense of autonomy. For example, bureaucratic organizations are characterized by paternalistic management-employee contacts; they direct member behavior through established rules and routines that undermine self-determination and limit autonomy.<sup>27</sup> Also, research patterned after the Hackman-Oldham Job Diagnostic Survey found that when first-line managers supported autonomy, subordinates felt more secure, were more satisfied with their pay and had more trust in the organization. When managers were more controlling, subordinates tended to fear for their jobs, were less satisfied with their pay, and trusted the organization less.<sup>28</sup>

The research of Deci and others supports this notion. As noted above, it suggests that extrinsic rewards may decrease intrinsic task motivation unless managers give employees informational, not controlling, feedback on their performance. Many vehicles deliver informational performance feedback to employees. Feedback occurs during informal or formal appraisal processes and when pay and other rewards are provided. As long as this feedback is informational, conveys a sense of appreciation for work well done, and builds employees' own sense of competence, it will tend to maintain or enhance intrinsic motivation.<sup>29</sup>

Informational feedback builds the senses of competency and growth individuals need to feel. Even if employees have little choice in what they must do, their ability

<sup>26</sup> Deci and Ryan, p. 297.

<sup>27</sup> Jay A. Conger and Rabindra Kanungo, "The Empowerment Process: Integrating Theory and Practice," *Academy of Management Review*, Vol. 13 (1988), p. 477.

<sup>28</sup> Deci and Ryan, p. 303.

<sup>29</sup> *Ibid.*, p. 234.

to use their own knowledge and skills to determine how a task will be accomplished increases both their sense of autonomy about the task and their perception that the outcome of the task will be a direct result of their decision-making. Some authors equate the intrinsic need for self-determination to *power* and suggest any managerial technique that strengthens self-determination or autonomy makes employees feel more powerful. This is often referred to as “empowering employees.” Studies on leadership and management skills suggest that empowerment is a principal component of managerial and organizational effectiveness and that sharing power and control tend to enhance organizational productivity.<sup>30</sup>

Management systems, that share power and control can become autonomy-supportive environments where people are involved in determining their performance goals and are committed to them because they played a part in developing them. If workers set their own goals properly, and if they receive supportive feedback from others, they can reach their performance potential. Most important in this process is that when performance falls short of standards, it should not be used as a basis for criticism, but rather as a problem to be solved, a developmental need.<sup>31</sup> “Negative” feedback must be given in a way that encourages employees to solve problems and to view improvement as a challenge. This type of feedback is less detrimental and can be quite motivating.<sup>32</sup> Another significant benefit of allowing employees to set their own goals that are contingent upon fulfilling specific organizational needs is that they will have translated the organization’s objectives into their own objectives and thus become more committed to achieving them.<sup>33</sup> In a field experiment on management actions on work structures and systems (like human resources), Deci found that managers’ orientations tended to be more autonomy-supportive and to positively motivate their subordinates when they focused on creating an informational climate in the workplace by minimizing controls, using structures that allowed people to fulfill their own potential and competence, and administered informational feedback.<sup>34</sup>

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<sup>30</sup> Conger and Kanungo, p. 471.

<sup>31</sup> Deci, p. 154.

<sup>32</sup> Deci and Ryan, p. 308.

<sup>33</sup> McCoy, p. 208.

<sup>34</sup> Deci and Ryan, p. 311.